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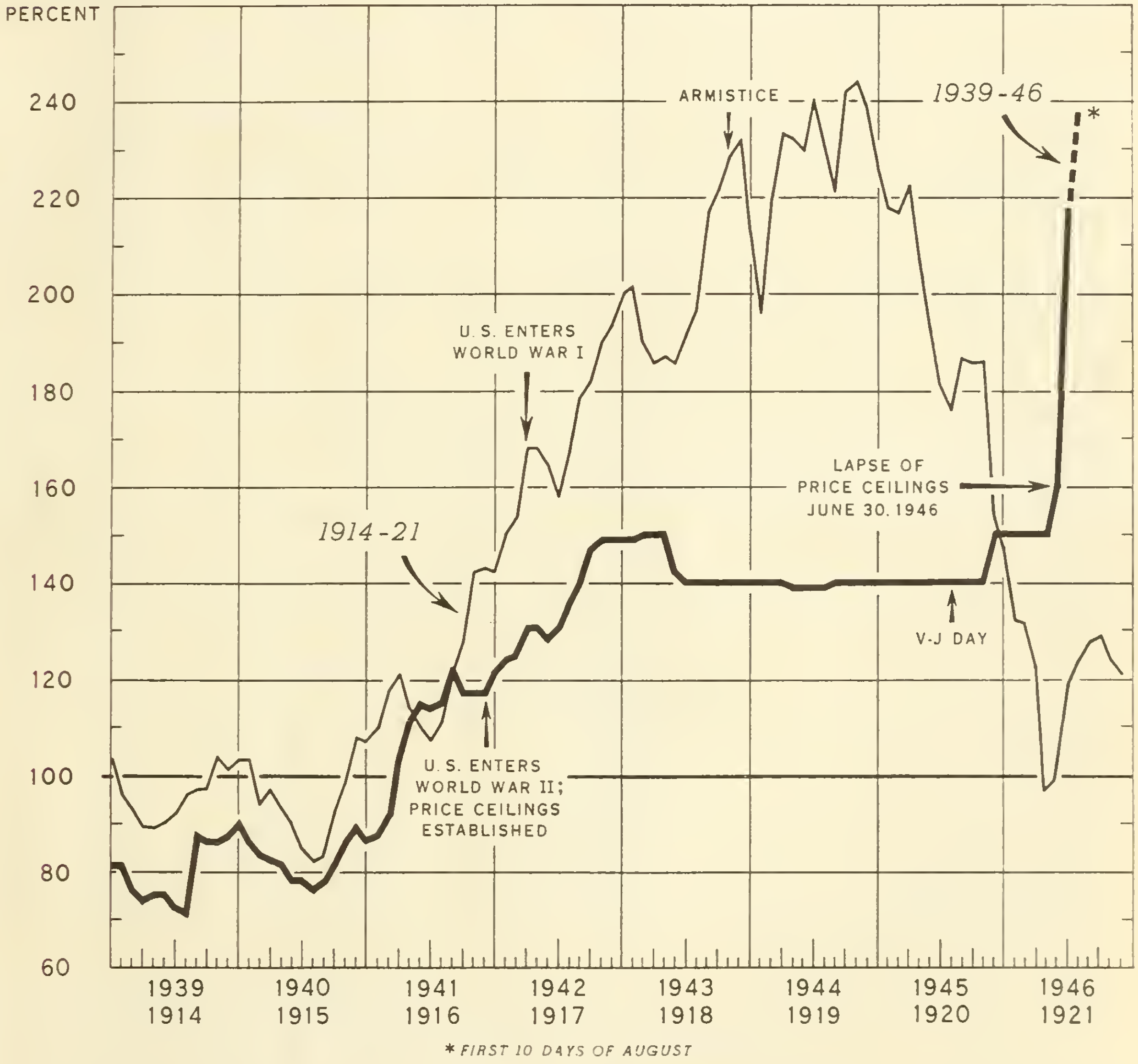
THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FOS -110 BAE AUGUST 1946

WHOLESALE PRICE OF EIGHT DOMESTIC FATS AND OILS, 1914-21 AND 1939-46

INDEX NUMBERS (1935-39 = 100)



U. S. DEPARTMENT OF AGRICULTURE NEG. 46086 BUREAU OF AGRICULTURAL ECONOMICS

In the first 10 days of August 1946, the index number of wholesale prices of 8 domestic fats and oils was 49 percent higher than in June and was nearly as high as the postwar peak in November 1919.

Table 1.- Wholesale price per pound of fats, oils, and glycerin at specified markets, and index numbers of prices of fats and oils, July 1944 and 1945, May-July 1946

PRICES

Item	July 1944	July 1945	1946 May	1946 June	1946 July
	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	41.5	41.5	46.5	51.5	69.7
Butter, 92-score, New York	42.2	42.2	47.2	52.2	69.4
Oleomargarine, dom. veg., Chicago	19.0	19.0	19.0	19.0	21.0
Shortening, cottonseed, hydrogenated, 10-drum lots, N. Y.	17.8	17.8	17.8	17.8	17.9
Lard, loose, Chicago	11.5	12.8	13.0	13.0	20.9
Lard, prime steam, tierces, Chicago	13.0	13.8	14.0	14.0	22.0
Lard, refined, 1-pound cartons, Chicago	15.6	15.6	15.8	15.8	36.0
Oleo oil, extra, tierces, Chicago	13.0	13.0	13.0	13.0	16.7
Oleostearine, bbl., N. Y.	10.5	10.5	10.5	10.5	1/ 14.8
Tallow, edible, Chicago	9.9	9.9	9.9	9.9	14.8
Corn oil, crude, tanks, f.o.b. mills	12.8	12.8	12.8	12.8	12.8
Corn oil, edible, returnable drums, l.c.l., New York	16.5	16.6	16.6	16.6	16.6
Cottonseed oil, crude, tanks, f.o.b. S.E. mills	12.8	12.8	12.8	12.8	2/ 16.2
Cottonseed oil, p.s.y., tank cars, N. Y.	14.3	14.3	14.3	14.3	17.5
Peanut oil, crude, tanks, f.o.b. mills	13.0	13.0	13.0	13.0	13.0
Peanut oil, refined, edible (white), drums, N. Y.	16.5	16.5	16.5	16.5	---
Soybean oil, crude, tank cars, midwestern mills	11.8	11.8	11.8	11.8	11.8
Soybean oil, edible, drums, l.c.l., N. Y.	15.2	15.4	15.4	15.4	17.6
Sunflower oil, semi-refined, tank cars, f.o.b. N. Y.	14.3	14.3	14.3	14.3	14.3
Babassu oil, tanks, N. Y.	11.1	11.1	11.1	11.8	12.0
Coconut oil, Manila, crude, c.i.f. Pacific Coast 3/	11.0	11.0	11.0	11.0	11.0
Olive oil, imported, edible, drums, N. Y.	---	---	---	---	126.7
Olive oil, California, edible, drums, N. Y.	60.7	60.7	58.7	58.7	58.7
Olive-oil foots, imported, drums, carlots, N. Y.	---	---	18.0	18.0	18.0
Palm oil, Congo, crude, bulk, N. Y. 3/	11.4	11.4	11.4	11.4	11.4
Rapeseed oil, refined, denatured, bulk, N. Y.	11.5	4/ 11.6	13.0	13.0	13.0
Tallow, inedible, prime, carlots, Chicago	8.6	8.6	8.6	8.6	12.1
Tallow, No.1, inedible, Chicago	8.4	8.4	8.4	8.4	11.8
Grease, A White, Chicago	8.8	8.8	8.8	8.8	12.2
Menhaden oil, crude, tanks, f.o.b. Baltimore	8.7	8.9	8.9	8.9	10.4
Sardine oil, crude, tanks, Pacific Coast	8.9	8.9	8.9	8.9	11.0
Whale oil, refined, bleached winter, drums, N. Y.	12.3	12.3	---	---	---
Cottonseed-oil foots, raw, (50% T.F.A.) delivered, East	3.6	3.6	3.6	3.6	4.1
Linseed oil, raw, tank cars, Minneapolis	14.3	14.3	14.3	14.3	16.4
Linseed oil, raw, nonreturnable drums, carlots, N. Y.	15.5	15.5	15.5	15.5	17.6
Oiticica oil, drums, f.o.b. N. Y.	20.4	24.4	25.5	25.5	25.5
Tung oil, returnable drums, carlots, N. Y.	39.0	39.0	39.0	39.0	39.0
Castor oil, No. 3, bbl., N. Y.	13.8	13.8	14.8	14.8	14.8
Castor oil, No. 1, tanks, N. Y.	13.0	13.0	14.2	14.2	5/ 19.8
Castor oil, dehydrated, tanks, N. Y.	17.9	17.9	19.4	19.4	19.9
Cod-liver oil, med. U.S.P., bbl., N. Y.	31.6	33.2	35.2	35.2	35.2
Cod oil, Newfoundland, drums, N. Y.	11.7	11.5	11.9	11.9	11.9
Degras, common, barrels, N. Y.	11.0	11.0	11.0	11.0	11.0
Neat's-foot oil, pure, carlots, barrels, N. Y.	18.2	15.8	16.0	16.0	18.8
Glycerin, soaplye, basis 80%, tanks, N. Y.	11.5	11.5	11.5	11.5	12.0

INDEX NUMBERS (1935-39 = 100)

Item	July 1944	July 1945	1946 May	1946 June	1946 July
Eight domestic fats and oils (1910-14 = 100)	141	142	152	162	221
Seven domestic fats and oils (1910-14 = 100), butter excl.	146	150	151	151	215
Eight domestic fats and oils (.72*)	139	140	150	160	218
Seven domestic fats and oils, butter excluded (.79*)	142	146	147	147	209
All fats and oils (27 items) (.73*)	147	148	158	166	222
All fats and oils, except butter (26 items) (.82*)	152	155	155	155	204
Grouped by origin:					
Animal fats (.69*)	138	139	152	165	230
Marine animal oils (.77*)	170	170	171	171	187
Vegetable oils, domestic (.84*)	160	160	160	160	190
Vegetable oils, foreign (.88*)	177	177	177	177	212
Grouped by use:					
Butter (.67*)	139	139	157	6/ 173	236
Butter, seasonally adjusted (.67*)	151	151	170	190	254
Lard (.78*)	127	135	137	137	215
Other food fats (.84*)	168	168	168	168	221
All food fats (.71*)	144	145	156	168	231
Soap fats (.80*)	150	150	150	150	179
Drying oils (.85*)	175	174	174	174	193
Miscellaneous oils (.71*)	154	154	163	163	163
All industrial fats and oils (.82*)	160	160	160	160	183

Prices compiled from Oil, Paint and Drug Reporter, The National Provisioner, The Journal of Commerce (New York), and reports of Production and Marketing Administration, and Bureau of Labor Statistics. Excise taxes and duties included where applicable. Index numbers of earlier years beginning 1910 are given in Technical Bulletin No. 737 (1940) and The Fats and Oils Situation beginning December 1940. 1/ Chicago. 2/ Southwest mills. 3/ Three-cent processing tax added to price as originally quoted. 4/ New Orleans. 5/ Less than carlots. 6/ Correction.
*Multiply by this factor to convert current index number (1935-39 = 100) to old basis (1924-29 = 100).

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, August 12, 1946

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SUMMARY

Prices of most fats and oils were at high levels during the first 10 days of August, with prices of butter and lard near 1919 peaks. The index number of wholesale prices of 8 domestic fats and oils, at 238 percent of the 1935-39 average, was 49 percent higher than in June and only 2 percent under the postwar peak reached in November 1919. In spite of these higher prices, no material increase in domestic production of fats and oils is in prospect in the next 12 months. Production in this period is already partly determined by the 1946 acreages of oilseed crops and the size of the fall pig crop.

Lard prices led the swift advance during July and early August, reaching 31 cents per pound, about 140 percent over the June 30 ceiling of 13 cents, Chicago. Butter prices in early August were about 25 percent above former ceilings. In the latter part of July prices of inedible tallow and greases at Chicago reached a peak, 45 percent over the June level. Price control on domestic inedible fats and oils were restored July 26 at June 30 levels. In the Price Control Extension Act, prices of cottonseed, soybean and edible animal

fats and oils are exempt from price ceilings until August 21. Ceilings will be restored on those items on that date unless a directive to the contrary is issued by the Price Decontrol Board.

Coconut oil was sold during July at the June 30 ceilings. The oil sold was produced from copra bought by the Government in the Philippines and sold to processors in the United States at ceiling prices. Prices of imported olive oil increased substantially during July. The Price Control Extension Act prohibits ceilings on prices of imported commodities or their products below the average import cost based on world market prices, if such ceilings would result in a substantial reduction in imports or in domestic trade in the commodity or its products.

No material increase in domestic supplies of fats and oils is in prospect for the next 12 months. Factory and warehouse stocks on July 1, at 1,359 million pounds, were nearly 350 million pounds less than a year earlier and were the smallest for July 1 since 1926. Production of lard and grease next spring and summer probably will be smaller than in the spring and summer this year as a result of a prospective reduction in the 1946 fall pig crop. Output of linseed oil from domestic flaxseed will be sharply diminished, with the 1946 crop of flaxseed now estimated to be down 40 percent from last year.

Some addition to total U. S. supplies of fats and oils may result from changes in exports and imports during the next 12 months, which will be partly determined by international negotiations. Imports of Argentine flaxseed and linseed oil into the United States in coming months are dependent on the outcome of current negotiations between the Argentine Government and a committee representing the International Emergency Food Council, of which the United States is a member. Export supplies in world surplus-producing areas, particularly in the Philippines and the East Indies, are expected to increase, and it is likely that imports of oils and fats into the United States will be larger in the year beginning July 1946 than the 700 to 750 million pounds imported in the year beginning July 1945. Also, exports of lard from the United States are likely to decline, reflecting current low stocks and reduced output in prospect for the first half of 1947. The Department of Agriculture has announced that after December 31, 1946 it will undertake only limited commitments for exports of fats and oils. The United States exported 200 to 250 million pounds more fats and oils than it imported in 1945-46, whereas in prewar years the United States had maintained a net balance of imports of around 1.5 billion pounds annually.

RECENT DEVELOPMENTS

Prices of Fats and Oils Around 1919 Levels

Following the lapse of price ceilings June 30, prices of most fats and oils rose rapidly, with lard prices in the lead (table 2). The index number of wholesale prices of 8 domestic fats and oils advanced in July to 218 percent of the 1935-39 average compared with 160 percent a month earlier. In the first half of August, this index stood at 238 percent of the 1935-39 average, nearly as high as the November 1919 peak of 244 percent.

The index number of prices for both imported and domestic fats and oils (27 major items) rose less rapidly than that for domestic fats and oils, as imported oils were subject to ceilings in early August. The 27-item index in early August stood at 229 percent of the 1935-39 average compared with 166 per- in June.

Lard prices rose steadily during July. On the first of August the Chicago Board of Trade bid quotation for prime steam lard was 32.5 cents per pound, compared with the June 30 ceiling price of 14.05 cents and the monthly average price of 34.8 cents in July 1919. Butter prices advanced sharply immediately after price ceilings lapsed, reaching a peak of 74.5 cents per pound wholesale, New York, but declined moderately in middle and late July to a low of 65 cents per pound, then advanced to 70-71 cents per pound in early August. The average for the month of July was 69.4 cents. The highest monthly average price of butter in 1919 was 72 cents per pound, and this level was not reached until December of that year. Prices of edible tallow at Chicago reached a peak of 21 cents per pound in early August. This was 63 percent above the June 30 ceiling for sales to Government agencies and 113 percent over the ceiling for sales to other buyers. In early August, the bid price of crude cottonseed oil at Southwestern mills was quoted at 16.25 cents per pound, compared with the ceiling level of 12.625 cents per pound, Prices of inedible tallow and greases at Chicago rose more than 4 cents per pound from the June 30 ceilings to 12.5-13.0 cents in the fourth week of July. But price ceilings were reestablished at the former level on July 26, the effective date of the Price Control Extension Act.

Table 2.- Highest per-pound prices quoted for specified fats and oils, July 1-August 10, 1946, with comparative data

Item	Average, 1910-14	Highest monthly average, 1919	Lowest monthly average, 1941	Average 1935-39	Ceiling price June 30 1946	Highest price quoted July 1-Aug 10
	Cents	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, New York	30.5	72.5	31.8	30.2	52.2	74.5
Lard, prime steam, tierces, Chicago	10.5	34.8	8.6	10.2	14.0	32.5
Edible tallow, Chicago	7.8	25.2	5.9	7.3	1/ 9.9	21.0
Cottonseed oil, prime summer yellow, New York	6.9	27.4	6.2	8.8	14.3	17.8
Olive oil, imported, New York	2/ 11.3	64.3	23.2	26.3	3/ 71.5	135.0
Inedible tallow, No. 1, Chicago	6.6	18.9	4.3	5.9	8.4	12.6
Grease, "A" White, Chicago	6.6	18.6	5.1	6.3	8.8	13.0
Menhaden oil, light, refined, New York	2/ 4.9	17.7	5.5	7.2	13.0	16.2
Coconut oil, Manila, crude, Pacific Coast, in store, sellers tanks 4/	N.A.	17.8	7.2	7.3	11.1	11.1

1/ Maximum for sales to buyers other than Government agencies.
2/ Three-year average, 1912-14. 3/ Price in Jan. 1944; last quotation until July 1946.
4/ Adjusted to allow for tax of 3 cents per pound on first domestic processing.

Under Section 1A (e) (8) of the Price Control Extension Act, no price ceiling is to be placed before August 21 on cottonseed, soybean, or any edible animal fat or oil (including butter). On August 21 these commodities will again be subject to ceilings, unless exempted by a directive from the Price Decontrol Board. June 30 ceilings were reestablished July 26 on all sales of domestic fats and oils not exempted by Section 1A (e) (8) of the Extension Act. Section 10 (x) of that Act requires maximum prices of imported commodities or their products to be removed or raised to world market levels, if the difference beyween the average import cost based on world market prices and the domestic ceiling price results in a substantial reduction in imports or in domestic trade in the commodity or its products.

Oilseed and Oilseed Meal Prices Also Advance

Oilseed-meal prices advanced after June 30 as sharply as fats and oils prices, and in early August were 50 to 60 percent above June levels. Prices per ton of leading oilseed meals (bagged, carlots) in early August, compared with June 30 ceilings, were as follows:

Cottonseed meal, 41 percent protein, Memphis, $100.00 compared with $62.75; peanut meal, 45 percent protein, Southeastern mills, $100.00 compared with $67.26; soybean meal, 41 percent protein, Chicago, $102.00 compared with $66.00; linseed meal, 32 percent protein, Minneapolis, $93.25 compared with $59.25.

Prices of oilseeds also rose during July, but less sharply than prices of oil or meal (table 11). The priced of No. 1 flaxseed at Minneapolis increased to $3.80 per bushel compared with the June 30 ceiling of $3.35. On July 1, farmers and processors were notified that the Department of Agriculture and OPA had agreed to increase the ceiling price of flaxseed by 25 cents per bushel and that of linseed oil by 1.3 cents per pound. These increases were necessary to allow for discontinuance, effective July 1, of subsidy payments of 25 cents per bushel to farmers. Prices to farmers for flaxseed in mid-July averaged $3.43 per bushel, 33 cents per bushel more than a month earlier. Prices of cleaned and shelled peanuts remained at ceiling levels during July. The mid-July average price to producers for farmers' stock peanuts was only slightly higher than a month earlier. Trading in soybeans was light during July and there were no sales on the open market in Chicago. However, other sales were reported at $2.67 to $2.74 per bushel. Soybean prices to farmers in mid-July averaged $2.31 per bushel, 14 cents more than a month earlier. The former base ceiling price for soybeans at producers' delivery points was $2.10. Prices received by farmers for cottonseed, averaging $60.00 per ton, were $8.50 higher than a month earlier.

Soybeans are exempted from price control until August 21, when ceilings may be re-instituted unless the Price Decontrol Board directs otherwise. Cottonseed is exempted from price ceilings indefinitiely, together with all other agricultural commodities not under ceilings before April 1, 1946.

Table 3.- Prices received by farmers for oilseeds, mid-July 1946, with comparative data

Item	Unit	Average, 1909-13 crop years	Highest month, 1919	Lowest month, 1921	Average, 1934-38 crop years	Mid-June 1946	Mid-July 1946
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Flaxseed	Bu.	1.64	5.29	1.34	1.70	3.10	3.43
Soybeans	Bu.	1/1.79	3.44	2.08	.90	2.17	2.31
Cottonseed	Ton	21.59	68.97	16.53	27.64	51.50	60.00
Peanuts	100 lb.	4.24	9.10	3.40	3.33	8.83	8.97

1/ 1913 only.

August 1 Condition of Soybean Crop Unusually Good

Production of soybeans this year may be only slightly smaller than the 1945 crop of 192 million bushels. There was a 13-percent reduction in planted acreage this year, but with the August 1 condition of the crop exceptionally good, yields per acre may average substantially higher than last year. The crop made excellent growth during July in the main producing area. Below-average yields are expected only in Michigan, Kansas, and Oklahoma, relatively minor States in soybean production.

Flaxseed production is now estimated at 21.9 million bushels compared with 20.1 million indicated in early July. Very favorable weather during July improved prospects for the crop in Minnesota, North Dakota, and South Dakota, which together account for 75 to 80 percent of the crop. The 1945 flaxseed crop amounted to 36.7 million bushels. Planted acreage for the 1946 crop was reduced 33 percent from a year earlier.

If the ratio of cotton lint to cottonseed is the same this year as the average for the past 5 years, production of cottonseed this year would be 3,781,000 tons, 4 percent more than last year, but less than in any other year since 1885. About 3 percent more acres of cotton were in cultivation July 1 this year than last.

Another large peanut crop is in prospect this year, with production indicated at 2,091 million pounds compared with 2,062 million pounds in 1945 and the prewar peak of 1,750 million pounds reached in 1940. Production in the Virginia-Carolina area probably will be reduced this year, partly as a result of excessive rainfall during July. But prospects in the Southeastern area remain excellent. In the Southwestern area the crop probably will be substantially larger than in 1945. Growing conditions to date in that section have been unusually favorable for peanuts.

Table 4.- Oilseeds: Production and yield per acre, 1944-46

Item	Unit	Yield per acre 1/			Unit	Production		
		1944	1945	Indicated 1946		1944	1945	Indicated 19[illegible]
Soybeans	Bu.	18.3	17.6	19.8	Mil. bu.	190.4	191.7	186.1
Flaxseed	"	7.7	9.0	8.1	" "	23.1	36.7	21.9
Cottonseed	Lb.	482	409	413	1,000 tons	4,902	3,634	3,781
Peanuts	"	670	641	665	Mil. lb.	2,111	2,062	2,091

1/ Soybeans, per acre harvested for beans; flaxseed, per acre planted; cottonseed, per acre of cotton in cultivation July 1; peanuts, per acre picked and threshed.

Government Purchases of Fats and Oils Small in July

Purchases of fats and oils by the U. S. Department of Agriculture in July were relatively small, chiefly as a result of the suspension of the lard se aside July 1 and the sharp increase in prices of domestic fats over the June 30 ceilings. July purchases totaled 32 million pounds compared with an average of 57 million pounds monthly in the first half of 1946. The items purchased included 29 million pounds of coconut oil, 2 million pounds of soap (fat content and 1 million pounds of lard and edible beef fats.

July 1 Inventories Lowest This Year Since 1926

Factory and warehouse stocks of fats and oils on July 1 totaled only 1,359 million pounds, nearly 350 million pounds less than a year earlier and the smallest for July 1 since 1926. Inventories of lard, at 40 million pounds, and of butter, at 50 million pounds, were exceptionally small in relation to the usual holdings at this time of year. Stocks of the fats used mainly in nonfood products also were low. Inventories of edible vegetable oils, however, were slightly larger than a year earlier and were at about the average for the war years, though moderately below the average for prewar years.

Table 5 .- Factory and warehouse stocks of fats and oils, July 1, 1932-46

Period	Butter 1/	Lard 2/	Edible vegetable oils and beef fats 3/	Soap fats 4/	Other industrial oils and fats 5/	Total
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Average, 1932-36	86	141	816	758	206	2,007
Average, 1937-41	107	230	800	831	262	2,231
1942	117	114	720	762	364	2,078
1943	158	228	622	627	355	1,990
1944	103	684	746	688	489	2,710
1945	131	100	685	500	291	1,708
1946	50	40	697	391	181	1,359

Compiled from reports of the Bureau of the Census and the Department of Agriculture.
Total computed from unrounded numbers.

1/ Cold-storage stocks.
2/ Cold-storage stocks, 1932-40; factory and warehouse stocks 1941-46.
3/ Corn, cottonseed, peanut, soybean, edible olive, sunflower, teaseed, and sesame oils; oleo oil, oleostearine, and edible tallow.
4/ Coconut, palm, palm-kernel, fish (excluding cod), and whale oils; inedible tallow; and greases, excluding wool grease.
5/ Linseed, tung, oiticica, castor, perilla, rapeseed, cod and fish-liver, neat' foot, and miscellaneous vegetable oils; wool grease.

GOVERNMENT ACTIONS

Peanut Price Supports for 1946 Crop Announced; Marketing Quotas for 1947 Crop Suspended

A schedule of loan and support prices for merchantable farmers' stock peanuts was announced in early August. These supports are based on $172 per ton (8.60 cents per pound) as the national average to farmers for all peanuts marketed. This was 90 percent of the parity price for peanuts on July 15, the support level for the 1946 crop guaranteed in late 1945 by the Department of Agriculture. Support prices for basic grades this season and last, payable at established receiving points, are as follows:

Type	Sound mature kernel content	Support for 1945 crop	Support for 1946 crop
	Percent	Dollars per ton	Dollars per ton
Virginia	65	160	170
Runner	65	145	157
Spanish, east of the Mississippi River	70	160	174
Spanish, west of the Mississippi River	70	160	172

Recent legislation provides that no marketing quotas or farm acreage allotments shall be proclaimed for the 1947 crop of peanuts. Quotas and allotments have not been in effect since the 1942 crop year. Without this legislation, the Secretary of Agriculture would have been required to determine the need for proclaiming a national marketing quota for the 1947 crop by December 1 this year.

Quotas Suspended on Use of Oils in Paint, Varnish, Linoleum, Coated Fabrics

War Food Order 42a was suspended indefinitely July 29. This order had established quotas on manufacturers' use of oils and fats in paint, varnish, linoleum, oilcloth, and other coated fabrics. WFO 124, limiting linseed-oil inventories, remains in effect. Also, soybean oil for drying-oil purposes, as well as other uses, can be obtained only by Government allotment. Supplies of drying oils continue materially short of demand at ceiling prices.

Price Ceilings for Linseed Oil Increased

Maximum prices for linseed oil were increased 1.3 cents per pound on July 31 by Amendment 65 to Maximum Price Regulation 53. The new ceiling price at Minneapolis and other Zone 1 points is 15.8 cents per pound. This price rise permitted crushers to pay a minimum of $3.60 per bushel for flaxseed, Minneapolis basis. As a result subsidy payments of 25 cents per bushel to growers on sales of flaxseed produced in 1946 are no longer necessary. The support price to farmers for 1946-crop flaxseed is $3.60 per bushel, Minneapolis basis. The June 30 ceiling was $3.35 per bushel. The Price Control Extension Act prohibits reinstatement of price controls on flaxseed and linseed meal before August 21.

USE OF FATS AND OILS FOR DOMESTIC CONSUMPTION, BY CLASSES OF PRODUCT, 1931-45

Estimates of disappearance of fats and oils for domestic consumption by classes of product are summarized in table 6. Total disappearance of fats and oils in all products for domestic consumption is based on data on production, foreign trade, and stocks of primary fats and oils, with adjustments where possible for imports, exports, and stocks of manufactured products. These data are summarized in table 8. Disappearance estimates for each class of product, in terms of fat-and-oil content, are taken or derived from the supply and disposition tables published in recent issues of The Fats and Oils Situation [1].

In the case of industrial products other than soap, no adjustment is made for foreign trade or for changes in inventories of the finished goods. Neither has the estimate for use of fats in soap been adjusted for changes in stocks of finished soap.

An allowance is made for use of lard in shortening, margarine, and nonfood products, so that the estimates of lard disappearance represent direct use of lard as such. The estimated disappearance of fats and oils in soap reflects only direct use of the finished product by households, laundries, restaurants, etc. Fats and oils in soap used for further industrial processing, as in textile and rubber manufacture, are included with miscellaneous industrial products.

Disappearance of fats and oils for consumption in the United States has declined materially since 1941, reflecting wartime reduction in imports, and increased exports of fats, oils and oilseeds. These changes have been only partly offset by increased domestic production. Disappearance of fats and oils in all products for domestic consumption in 1945 totaled 67.3 pounds per person (fat content) compared with a peak of 78.0 pounds in 1941 and an average of 66.7 pounds in 1935-39. Disappearance of fats and oils in food products in 1945, estimated at 41.0 pounds per person, was 15 percent below the 1941 peak and 8 percent below the 1935-39 average. Use in nonfood products per person in 1945, while 12 percent less than in 1941, was 20 percent above the 1935-39 average. Use of fats and oils in paint, varnish, and floor converings was somewhat smaller than prewar, as a result of reduced supplies of linseed oil, but use was somewhat larger in soap and much larger in the miscellaneous group of industrial products, including chiefly lubricants and greases, fatty acids, and textile and rubber manufactures.

Disappearance of fats and oils in products for civilian use alone is indicated in the lower section of tables 6 and 7. This disappearance is claculated by subtracting estimated military procurement from total domestic disappearance. The estimates for military procurement are quite rough before mid-1943. It is assumed that military use of oils and fats in miscellaneous industrial products each year constituted the same percentage of total civilian and military use as in soap and drying oil products.

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[1] Butter, lard, margarine, shortening, and edible oils, tables 8-12, July issue; soap and drying oil products, tables 7 and 9, May-June issue.

Table 6.- Use of fats and oils for domestic consumption, by classes of products, United States, 1931-45

Year	Butter, excluding use in margarine (actual weight)	Lard, excluding use in margarine, shortening, and nonfood products	Margarine	Shortening	Edible oils	Total food products	Soap, excluding soap used in manufactures (textiles, rubber, etc.)	Drying oil products 1/	Other industrial products 2/	Total industrial products	All products	All products, including only fat content of butter
	For civilian and military consumption											
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1931	2,244	1,687	190	1,163	599	5,883	1,498	612	324	2,434	8,317	7,887
1932	2,275	1,799	165	936	567	5,741	1,462	474	316	2,253	7,994	7,558
1933	2,248	1,759	196	944	657	5,805	1,401	544	413	2,359	8,164	7,733
1934	2,312	1,637	213	1,197	666	6,026	1,595	589	393	2,577	8,603	8,160
1935	2,195	1,221	306	1,533	686	5,941	1,428	708	539	2,675	8,616	8,195
1936	2,114	1,442	322	1,580	732	6,189	1,522	774	553	2,849	9,038	8,633
1937	2,120	1,358	326	1,589	818	6,210	1,581	829	551	2,961	9,171	8,765
1938	2,148	1,436	312	1,499	890	6,285	1,587	671	453	2,711	8,995	8,584
1939	2,276	1,662	243	1,396	946	6,523	1,741	807	502	3,050	9,573	9,137
1940	2,244	1,956	255	1,185	997	6,638	1,791	787	511	3,089	9,727	9,298
1941	2,185	1,893	293	1,401	1,110	6,883	2,209	1,052	737	3,998	10,881	10,463
1942	2,215	1,812	295	1,300	1,045	6,667	1,941	908	770	3,619	10,286	9,862
1943	1,778	1,954	411	1,374	905	6,423	1,853	788	902	3,544	9,967	9,626
1944 3/	1,859	1,882	407	1,349	921	6,417	2,109	781	950	3,840	10,258	9,902
1945 3/	1,667	1,716	436	1,438	839	6,096	1,917	755	1,011	3,682	9,778	9,459
	For civilian consumption only											
1941	2,104	1,872	293	1,376	1,092	6,738	2,173	1,002	718	3,893	10,631	10,228
1942	2,070	1,800	295	1,172	1,005	6,342	1,858	808	721	3,387	9,729	9,332
1943	1,515	1,890	409	1,270	834	5,918	1,653	638	783	3,075	8,992	8,702
1944 3/	1,547	1,782	405	1,188	869	5,791	1,810	661	812	3,283	9,075	8,779
1945 3/	1,418	1,557	424	1,303	776	5,479	1,634	635	858	3,126	8,605	8,334

Food products from tables 8 to 12, The Fats and Oils Situation, July 1946. Soap and drying-oil products, from tables 7 and 9, The Fats and Oils Situation, May-June 1946.
Other industrial products, difference between use in all products and use in food products, soap, and drying-oil products.
All products, from table 8, this issue.
Totals computed from unrounded numbers.

1/ Paint, varnish, floor coverings, oilcloth, and printing inks.
2/ Includes fats and oils used in soap consumed in manufacturing (textiles, rubber, etc.).
3/ Preliminary.

Table 7.- Use per person of fats and oils, for domestic consumption, by classes of products, United States, 1931-45

For civilian and military consumption

Year	Butter, excluding use in margarine (fat content)	Lard, excluding use in margarine, shortening and nonfood products	Margarine	Shortening	Edible oils	Total food products	Soap, excluding soap used in manufactures (textiles, rubber, etc.)	Drying oil products	Other industrial products	Total industrial products	All products, including only fat content of butter
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1931	14.5	13.5	1.5	9.3	4.8	43.6	12.0	4.9	2.6	19.5	63.2
1932	14.6	14.3	1.3	7.5	4.5	42.2	11.6	3.8	2.5	17.9	60.2
1933	14.3	13.9	1.6	7.5	5.2	42.5	11.1	4.3	3.3	18.7	61.2
1934	14.6	12.9	1.7	9.4	5.2	43.8	12.5	4.6	3.1	20.3	64.2
1935	13.8	9.5	2.4	12.0	5.4	43.1	11.2	5.5	4.2	20.9	64.0
1936	13.2	11.2	2.5	12.3	5.7	44.8	11.8	6.0	4.3	22.1	67.0
1937	13.2	10.5	2.5	12.3	6.3	44.7	12.2	6.4	4.3	22.8	67.6
1938	13.2	11.0	2.4	11.5	6.8	44.9	12.1	5.1	3.5	20.7	65.7
1939	13.9	12.6	1.8	10.6	7.2	46.2	13.2	6.1	3.8	23.2	69.4
1940	13.6	14.7	1.9	8.9	7.5	46.7	13.5	5.9	3.8	23.3	70.0
1941	13.1	14.1	2.2	10.5	8.3	48.2	16.5	7.8	5.5	29.8	78.0
1942	13.2	13.4	2.2	9.6	7.7	46.0	14.3	6.7	5.7	26.7	72.8
1943	10.4	14.2	3.0	10.0	6.6	44.2	13.5	5.7	6.6	25.8	70.1
1944 1/	10.8	13.5	2.9	9.7	6.6	43.5	15.2	5.6	6.8	27.6	71.3
1945 1/	9.6	12.2	3.1	10.2	6.0	41.0	13.6	5.4	7.2	26.2	67.3
	For civilian consumption only										
1941	12.8	14.1	2.2	10.4	8.2	47.7	16.4	7.6	5.4	29.3	77.1
1942	12.6	13.6	2.2	8.9	7.6	44.9	14.0	6.1	5.4	25.6	70.5
1943	9.4	14.6	3.1	9.8	6.4	43.4	12.8	4.9	6.0	23.7	67.1
1944 1/	9.6	13.8	3.1	9.2	6.7	42.4	14.0	5.1	6.3	25.4	67.9
1945 1/	8.8	12.0	3.3	10.0	6.0	40.1	12.6	4.9	6.6	24.1	64.3

Based on table 6.

1/ Preliminary

Table 8.- Fats and oils: Production, trade, stocks, and domestic disappearance, United States, 1931-45

Year	Primary fats and oils: Production from domestic materials	Primary fats and oils: Imports 1/ plus production from imported materials	Primary fats and oils: Exports and re-exports 2/	Primary fats and oils: Shipments to U.S. territories	Primary fats and oils: Factory and warehouse stocks Dec.31 3/	Primary fats and oils: Domestic disappearance	Domestic disappearance of fat and oil products 4/
	Mil.lb.	Mil.lb.	Mi.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
1931	7,540	1,731	807	30	1,739	8,354	8,317
1932	7,687	1,285	776	31	1,876	8,028	7,994
1933	7,813	1,728	801	36	2,383	8,196	8,164
1934	7,311	1,519	597	32	1,955	8,629	8,603
1935	6,179	2,543	182	28	1,823	8,645	8,616
1936	7,039	2,292	197	36	1,848	9,073	9,038
1937	6,998	2,695	203	37	2,098	9,203	9,171
1938	7,774	1,801	261	43	2,334	9,035	8,995
1939	8,211	1,799	413	50	2,269	9,611	9,573
1940	8,780	1,656	358	46	2,540	9,761	9,727
1941	9,386	1,897	572	54	2,272	10,924	10,881
1942	9,983	993	827	48	2,009	5/10,362	10,286
1943	10,847	924	1,344	53	2,151	5/10,151	9,967
1944 6/	10,839	990	1,443	53	2,156	5/10,387	10,258
1945 6/	9,432	915	855	41	1,714	5/ 9,926	9,778
[illegible]	[illegible]	750	700	50	1,500	[illegible]	[illegible]

Production compiled from reports of the U. S. Department of Agriculture, Bureau of the Census, and Fish and Wildlife Service. Foreign trade and stocks, Bureau of the Census. Domestic disappearance computed from data on production, foreign trade, and stocks. Totals computed from unrounded numbers.

1/ Imports for consumption after 1933.
2/ 1934-45, reexports only of coconut oil, palm oil, tung oil, and olive-oil "foots and in 1943-45 certain quantities of whale, linseed, and sunflower oils reported in imports for consumption.
3/ Cold storage stocks used for butter, 1931-45, and for lard, 1931-40.
4/ Domestic disappearance of primary fats and oils adjusted for estimated fat content of (1) imports of shortening and soap, (2) exports and shipments of magarine, shortening, and soap (including military procurement for civilian relief abroad and Red Cross procurement of margarine and shortening.

5/ Adjusted for changes in USDA stocks of lard in transit to warehouses and ships, and for changes in cold-storage stocks of butter held by the armed forces.
6/ Preliminary.

Table 9.- Imports and exports of fats, oils, oil-bearing materials in terms of oil, and fat-and-oil products, 1937-46

Item	Imports for consumption				Exports 1/			
	Average 1937-41	1945	Jan.-May 1945	Jan.-May 1946 2/	Average 1937-41	1945	Jan.-May 1945	Jan.-May 1946 2/
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil. lb.	Mil.lb.	Mil.lb.
Food fats and oils								
Butter	3.8	3.7	3/	3/	9.5	4/41.4	4/13.1	4/15.6
Lard	3/	.2	.2	3/	272.7	563.8	355.1	253.2
Oleo oil	---	---	---	---	3.8	.2	3/	3/
Oleo stock	---	---	---	---	2.9	3/	---	---
Stearine, animal, edible	1.0	.2	.2	---	.3	3/	3/	3/
Tallow, edible	2.9	1.7	1.7	---	.2	3/	3/	3/
Total, edible animal fats	7.7	5.8	2.1	3/	289.4	605.4	368.2	268.8
Corn oil	14.2	3/	3/	---	.3	.2	.1	.2
Cottonseed oil	72.1	33.5	13.7	---	11.0	11.1	5.7	1.1
Cottonseed (15.5 percent)	---	3/	3/	---	---	1.0	1.0	1.1
Olive oil, edible	48.5	9.0	5.7	.2	---	.1	3/	3/
Peanut oil	16.1	---	---	3/	2.4	.4	.1	.1
Peanuts, shelled (39 percent)	---	19.6	11.2	3/	---	---	---	---
Sesame oil	9.9	---	---	3/	---	---	---	---
Sesame seed (47 percent)	4.8	.3	3/	1.7	---	---	---	---
Soybean oil	7.0	3/	---	---	10.5	40.5	16.8	28.9
Soybeans (15 percent)	---	---	---	---	30.9	62.2	15.3	7.3
Sunflower oil	.8	85.5	41.5	.5	5/	44.1	29.5	6.0
Teaseed oil	10.0	---	---	.1	---	---	---	---
Vegetable oils, shipments to U.S. territories	---	---	---	---	8.5	7.8	3.2	3.1
Total, edible vegetable oils	183.4	147.9	72.1	2.5	63.6	167.4	71.7	47.8
Soap fats and oils								
Fish oils	2.6	13.3	6.5	2.6	2.7	16.9	3.7	3.1
Greases	---	3/	3/	---	4.5	6.8	3.3	1.6
Marine mammal oils	25.4	2.1	.3	.3	2.9	13.4	4.5	.2
Olive oil "foots"	20.2	---	---	---	---	.3	.1	3/
Olive oil, inedible	5.6	.1	3/	3/	---	3/	3/	3/
Palm oil	301.2	66.1	38.6	15.0	17.3	17.7	10.9	5.9
Tallow, inedible	7.7	32.0	28.4	.1	1.5	6.2	3.0	2.9
Total, slow-lathering oils	362.6	113.6	73.8	18.0	28.9	61.3	25.5	13.7
Babassu oil	.4	3.8	1.4	1.3	---	---	---	---
Babassu kernels (63 percent)	48.9	46.3	21.2	20.6	---	---	---	---
Coconut oil	362.8	34.0	19.9	.9	33.4	.1	3/	19.9
Copra (63 percent)	335.9	149.1	86.9	100.8	27.8	---	---	---
Murumuru kernels (36 percent) 6/	1.2	.4	.1	---	---	---	---	---
Palm-kernel oil	28.8	---	---	---	---	---	---	---
Palm-nut kernels (45 percent)	14.8	37.3	28.7	---	---	---	---	---
Tucum kernels (43 percent)	2.4	5.9	.4	1.9	---	---	---	---
Total lauric-acid oils	795.2	276.8	158.6	125.5	61.2	.1	3/	19.9
Drying oils								
Flaxseed (34 percent)	351.7	72.3	43.5	26.9	---	.2	3/	.3
Linseed oil	.1	79.0	4.9	31.4	3.3	31.9	4.7	18.7
Oiticica oil	16.0	21.6	8.4	5.9	---	---	---	---
Perilla oil	28.9	3/	---	---	---	---	---	---
Perilla seed (37 percent)	.6	---	---	---	---	---	---	---
Tung oil	100.4	.3	---	4.4	5.0	1.7	.2	.3
Total, drying oils	497.6	173.2	56.8	68.6	8.3	33.8	4.9	19.3
Other industrial oils and fats								
Cashew nut shell liquid (oil)	2.7	.3	.1	1.3	---	---	---	---
Castor oil	.5	1.7	.8	3.0	1.0	1.3	.8	1.0
Castor beans (45 percent)	95.0	137.0	69.3	53.7	---	---	---	---
Fish-liver oils	46.7	22.3	8.0	10.3	---	3.7	1.5	4.0
Japan wax (tallow)	3.0	---	---	---	---	---	---	---
Neat's-foot oil	---	.7	.5	.1	.6	.2	3/	.2
Rapeseed oil	10.3	17.7	8.8	1.3	---	.7	.3	1.5
Vegetable tallow	2.7	.3	3/	.5	---	---	---	---
Wool grease	3.0	1.3	.1	.7	---	---	---	---
Other vegetable oils and fats	---	1.3	.7	.1	13.2	2.7	2.0	.2
Total, other industrial	163.9	182.6	88.3	71.0	14.8	8.6	4.6	6.9
Manufactured products (fat content)								
Margarine 7/	1.9	---	---	3/	1.3	64.5	23.4	15.7
Shortening	1.4	3/	3/	3/	8.0	20.6	13.0	7.0
Soap	2.8	1.6	.1	1.4	30.8	68.1	14.8	37.1
Total, manufactured products	6.1	1.6	.1	1.4	40.1	153.2	51.2	59.8
Grand total 8/	2,016.7	901.6	452.0	287.2	506.3	1,029.7	526.4	436.4

Compiled from Monthly Summary of Foreign Commerce of the United States, records of the Bureau of the Census, and reports of the U. S. Department of Agriculture.

The following items are not included above: Procurement by the Army for civilian relief and by the American Red Cross, January-December 1945, 68 million pounds of lard, 14 million pounds of edible oils, 3 million pounds of margarine (fat content), and 8 million pounds of soap (fat content); January-May 1945, 51 million pounds of lard, 3 million pounds of margarine (fat content), and 6 million pounds of soap (fat content); January-May 1946, 8 million pounds of lard (preliminary).

1/ Includes shipments to U. S. territories of butter, lard, and manufactured products; reexports of coconut, palm, and tung oils, olive-oil foots, and copra; and reexports in 1945 and 1946 of certain quantities of whale oil, linseed oil, and sunflower oil reported in imports for consumption. Shipments include special programs of USDA in 1945. 2/ Preliminary. 3/ Less than 50,000 pounds. 4/ Includes actual weight of butter oil and spreads (Army). These were not reported separately prior to 1945. 5/ Not reported separately. 6/ 1937-41, 35 percent. 7/ Imported margarine goes largely to Puerto Rico and the Virgin Islands. 8/ Computed from unrounded numbers.

Table 10 .- Fats and oils: Factory production from domestic and imported materials, January-June 1945 and 1946; and factory and warehouse stocks at end of month, June 1945, May and June 1946

Items grouped by major use	Production		Stocks (crude basis)		
	January-June 1945	January-June 1946	June 30, 1945	May 31, 1946	June 30, 1946
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Food fats and oils					
Butter 1/	751.3	537.0	131.7	26.9	2/ 49.7
Lard and rendered pork fat 3/	670.0	701.1	99.7	52.1	39.9
Oleo oil, edible animal stearine, and edible tallow	113.6	61.2	21.9	6.1	4.6
Total edible animal fats	1,534.9	1,299.3	253.3	85.1	94.2
Corn oil 4/	116.9	87.2	19.9	17.2	20.6
Cottonseed oil 4/	636.6	404.8	383.1	423.9	364.5
Olive oil, edible	4.3	2.0	1.9	.8	1.8
Peanut oil 4/	65.4	53.2	53.4	41.3	44.6
Sesame oil	---	---	1.5	.2	.2
Soybean oil 4/	722.5	771.8	203.6	267.2	261.3
Total edible vegetable oils	1,545.7	1,319.0	663.4	750.6	693.0
Soap fats and oils					
Tallow, inedible	472.4	482.7	112.0	147.4	118.4
Grease, excluding wool grease	269.9	278.8	68.7	88.8	84.2
Palm oil 4/	---	---	71.2	23.3	22.1
Fish oil	20.1	19.6	58.0	35.1	38.3
Marine mammal oil	---	---	32.2	11.9	10.4
Olive oil, inedible and foots	5/	5/	2.0	.7	.6
Total slow-lathering oils	762.4	781.1	344.1	307.2	274.0
Babassu oil 4/	5/	5/	7.8	9.2	8.7
Coconut oil 4/	90.8	114.5	121.7	114.3	96.4
Palm-kernel oil 4/	26.6	---	6/ 26.5	12.3	11.6
Total lauric-acid oils	117.4	114.5	156.0	135.8	116.7
Drying oils					
Castor oil, dehydrated 7/	35.2	18.3	9.1	8.3	7.1
Linseed oil	214.7	276.4	159.9	117.6	115.5
Oiticica oil	---	---	6.2	5.8	5.3
Perilla oil	---	---	.1	.1	.1
Tung oil	8.0	5.6	15.6	9.5	7.3
Total drying oils	257.9	300.3	190.9	141.3	135.3
Other industrial					
Neat's-foot oil	1.3	1.0	2.1	.9	.9
Wool grease	9.2	10.0	2.9	6.4	6.6
Cod oil and fish-liver oils	3.2	2.6	13.5	8.4	10.2
Castor oil, No. 1 and No.3 8/	46.9	33.5	12.7	11.3	9.4
Rapeseed oil	---	---	15.7	8.5	8.5
Other vegetable oils	23.7	32.7	53.3	10.5	10.1
Total	84.3	79.8	100.2	46.0	45.7
Grand total 9/	4,302.4	3,893.9	1,708.2	1,465.9	1,358.9

Compiled from reports of the Bureau of the Census, except as noted. Data include stocks held by the Government in reported positions.

1/ Creamery butter production and cold-storage stocks, U. S. Department of Agriculture.
2/ Preliminary.
3/ Federally inspected production, USDA.
4/ Stocks, crude oil plus refined oil converted to crude basis by dividing by the following factors: Babassu, corn, cottonseed, palm, and palm-kernel oils, 0.93; coconut, peanut, and soybean oils, 0.94.
5/ Included in "Other vegetable oils".
6/ Crude only.
7/ Converted to crude basis by dividing by 0.88.
8/ Estimated quantity used in manufacture of dehydrated castor oil excluded from production.
9/ Computed from unrounded numbers.

Table 11.--Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals, July 1944 and 1945, May-July 1946

Item	Unit	July 1944	July 1945	1946 May	1946 June	1946 July
		Dollars	Dollars	Dollars	Dollars	Dollar
Babassu kernels, f.o.b. Maranhao, Brazil	Metric ton	---	126.50	126.50	126.50	143.00
Castor beans, Brazilian, c.i.f. first port of arrival, U.S.	Long ton	1/75.00	1/82.50	118.00	118.00	118.00
Copra, Philippine, c.i.f. Pacific Coast	Short ton	---	---	---	2/109.50	109.50
Cottonseed, United States average	" "	53.00	55.00	49.60	51.50	60.00
Flaxseed, No. 1, Minneapolis	Bushel	3.05	3.11	3.27	3.35	3.79
Flaxseed, United States average	"	2.85	2.89	2.89	3.10	3.43
Peanuts, No. 1 shelled, Spanish, Southeastern shipping points	100 pounds	14.25	14.25	14.75	14.75	14.75
Peanuts, United States average	" "	7.75	8.18	8.90	8.83	8.97
Soybeans, No. 2 Yellow, Chicago	Bushel	1.95	---	---	---	---
Soybeans, United States average	"	1.91	2.16	2.16	2.17	2.31
				Oilseed Meals 3/		
Copra meal, Los Angeles 4/	Short ton	50.25	50.00	57.00	59.50	60.54
Cottonseed meal, 41 percent protein, Memphis	" "	48.50	48.50	59.25	62.75	100.00
Cottonseed meal, 41 percent protein, Chicago	" "	54.45	54.45	65.25	68.75	---
Linseed meal, 32 percent protein, Minneapolis	" "	45.50	45.50	55.80	59.25	89.50
Linseed meal, 34 percent protein, New York	" "	4/49.00	4/49.00	59.50	63.00	88.92
Peanut meal, 45 percent protein, f.o.b. Southeastern Mills	" "	53.00	53.00	60.25	67.25	98.41
Soybean meal, 41 percent protein, Chicago	" "	51.90	52.00	62.50	66.00	97.00

Compiled from Oil, Paint and Drug Reporter, Daily Market Record (Minneapolis), Chicago Journal of Commerce, reports of the Bureau of Agricultural Economics, and records of Production and Marketing Administration.

1/ F.o.b. Brazilian ports.

2/ Ceiling price, effective June 11, 1946.

3/ Bagged, carlots.

4/ Original quotation adjusted to bagged - carlots basis.